

GOVERNMENT OF TELANGANA

ABSTRACT

Purchase Tax on sugar cane – Purchase Tax payable to the Government by the sugar factories and by the Khandasari units for 2014-2015 season – Passing on the Purchase Tax to the Cane suppliers, as incentive – Orders – Issued.

INDUSTRIES & COMMERCE (IE,SUGAR&IFR) DEPARTMENT

G.O.MS.No. 22

Dated:27.03.2015

Read the following:

- 1) G.O.Ms.No. 192, Industries & Commerce (Sugar) Dept, Dt. 26.12.2013.
- 2) From the Director of Sugar & Cane Commissioner, Telangana State, Hyderabad Letter No.C2/629/2014, Dt. 19.11.2014 & 09.02.2015.

-oOo-

ORDER:

In the reference 1st read above, Government have issued orders directing all the sugar factories and Khandasari Units in the State to pass on the entire Purchase Tax amount of Rs. 60/- per Metric Tonne; and Rs.22/- per Metric Tonne respectively, to the cane suppliers for 2013-2014 season.

2. The Director of Sugar and Cane Commissioner, Telangana State, Hyderabad in his letter 2nd read above has requested the Government for continuation of these orders for passing on the entire Purchase Tax of Rs.60/- per MT by the sugar factories and Rs.22/- per MT by the Khandasari Sugar Units to the cane suppliers during 2014-2015 season also, as an incentive duly incorporating a clause that the respective sugar factories and Khandasari sugar mills in the State shall pay the Purchase Tax incentive from the date of commencement of crushing operations for the cane crushed by the sugar factory for 2014-2015 season, in the interest of the cane growers and to avoid audit objections and also keeping in view of the less FRP and the increase of prices of Agriculture Inputs & labour costs.

3. The Government after careful examination of the above proposal, hereby decide to pass on the entire Purchase Tax payable by sugar factories to the Government @ Rs.60/- per Metric Tonne and Rs.22/- per Metric Tonne by the Sugar factories and Khandasari Units respectively and uniformly to all the Sugarcane suppliers, as an incentive, instead of payable to the Government, for 2014-2015 season. The concerned Sugar Factories / Khandasari units shall pass on the Purchase Tax to the sugarcane suppliers from the date of commencement of crushing operations of 2014-2015 season, in the interest of sugarcane growers, duly following the procedure as laid down in the Annexure, enclosed to this order, as was done in the previous season.

4. The Director of Sugar and Cane Commissioner, Hyderabad shall take necessary action in the matter, for implementing the above orders, without any deviation.

5. This order issues with the concurrence of Finance (EBS.VII) Department vide their U.O.No. 3593/118/EBS-VII/I&C/2015, 25.03.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

K. PRADEEP CHANDRA

SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

To

The Director of Sugar & Cane Commissioner, Telangana State, Hyderabad.

All the Sugar Factories and Khandasari Sugar Mills in the State through the

Director of Sugar & Cane Commissioner, Telangana State, Hyderabad.

The Secretary to Govt. of India, Ministry of Consumer Affairs, Food & Public

Distribution, Dept. of Food & Public Distribution, Krishi Bhavan, New Delhi.

The Commissioner & Director of Information & Public Relations, Hyderabad.

Copy to:

The Accountant General, AP, Hyderabad.

The Prl. Secretary to Govt., Finance (R&E) Dept.

The Prl. Secretary to Government (IF), Finance Department.

The Prl. Secretary to Govt., Public Enterprises Dept.

The Finance (EBS.VII) Dept/ The Finance (BG) Dept.

The P.S. to Minister (Industries, H&T and Sugar)

The P.S. to Prl. Secretary to Chief Minister.

Sf/sc (C.No.9782/IE, Sugar&IFR/2014)

// FORWARDED :: BY ORDER //

SECTION OFFICER

ANNEXURE

[TO G.O.MS.No. 22, INDUSTRIES & COMMERCE (IE,Sugar&IFR) DEPT,
Dt.27.03.2015]

-oOo-

1. The Purchase Tax Incentive Cane Price of Rs.60/- per M.T. by the Sugar Factories and Rs.22/- per M.T. by the Khandasari Sugar Mills payable to the Cane Suppliers shall be adjusted against the Purchase Tax for the cane purchased by them and payable to the Government, for which the following procedure shall be adopted.
2. As per the Sugarcane Pricing Policy in respect of crushing season 2014-2015, the occupier of sugar factories should pay to the cane suppliers the purchase tax incentive price @ Rs.60/- per M.T. and obtain the signature of the cane suppliers for the value of the cane supplied. The Sugar Factories paying the incentive of Rs.60/- per M.T. to the cane suppliers through the Banks should submit a certificate of payments issued by the concerned Banks.
3. Immediately after the payment is made, and at the end of each crushing season the sugar factories shall prefer a bill for adjustment of the incentive price paid at Rs.60/- to the cane suppliers to the Director of Sugar and Cane Commissioner, Telangana, Hyderabad **or** his/her nominee to whom the powers are delegated by him/her. Along with the bill, the list of cane supplies to whom the incentive prices paid and the amount paid to them, duly certified and counter signed by the managements of the sugar factories shall be enclosed.
4. After receipt of the Bills as mentioned above from the sugar factories, the Director of Sugar shall send a proposal to the Government to release funds / Budget Release order, and BRO will be issued by Finance Department from the budget provision, if necessary additional funds over and above budget provision towards reimbursement of Purchase Tax.
5. After receipt of BRO / Administrative Sanction, the Director of Sugar & Cane Commissioner of Telangana, Hyderabad shall prefer an adjustment bill with the Treasury duly indicating the Debit Head of Account "2852 – 08 – MH -201 SUGAR – SH (08) ASSISTANCE TO COOPERATIVE SUGAR FACTORIES TOWARDS REIMBURSEMENT OF PURCHASE TAX INCENTIVES – 310/312 OTHER GRANTS IN AID" and **Credit Head of Account** ie., "0045 - OTHER TAXES AND DUTIES OF COMMODITIES AND SERVICES - 114 - RECEIPTS UNDER SUGARCANE (REGULATION OF SUPPLY AND PURCHASE) ACT, 1961 (01) – TAX COLLECTION' PURCHASE TAX ON SUGARCANE' for adjustment of the amounts towards Purchase Tax.
6. The Director of Sugar and Cane Commissioner shall obtain supplementary grant during the respective financial year for the amount actually adjusted over and above the budget provision.
7. The Incentive Cane Price of Rs.60/- to the cane suppliers shall be paid by the sugar factories within 14 days from the date of purchase/supply of cane failing which interest shall be charged on purchase tax incentive due amount, as per the Act and Rules in force and the interest portion shall be passed on to the respective cane suppliers.
8. The same procedure as prescribed above should also be followed in respect of Khandasari Sugar Mills, which are require to pass on the Purchase Tax of Rs.22/- per M.T. as incentive to the cane growers/ suppliers.

K. PRADEEP CHANDRA
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

// FORWARDED :: BY ORDER //

SECTION OFFICER

